Coal Bed Methane Collaborative Agreement
Final Draft

A regulatory framework to enforce water quality standards in Montana should incorporate features to:

-Facilitate a fair and consistent regulatory process for all users.
-Provide reasonable time lines, and predictable decision-making.
-Account for designated, existing and anticipated beneficial uses and impacts both within Montana water resource basins, and from upstream.
-Protect beneficial uses and accommodate responsible development through fair and effective compliance mechanisms.

These goals can be met. We recommend:

1) An appropriate measure of potential impact of water discharges is in stream water quality.

-Site-specific analysis is necessary to allow discharges while protecting existing and anticipated beneficial uses.
-The water quality which protects designated, existing and anticipated beneficial uses varies by basin, reach and seasonal uses.

2) Numeric measures for Electrical Conductivity (EC) and Sodium Adsorption Ratio (SAR) are an effective and consistent tool to predict potential impacts of Coal Bed Methane (CBM) development and determine actual impact on water resources.

-Numeric measures enhance certainty and predictability in the regulatory process.
-Numeric measures can be used to monitor water quality over time, and at a given point in time.
-Numeric measures can identify discharges which exceed numeric limits before harm is necessarily demonstrated.
-Petitioners believe numeric standards are the best regulatory tool and are necessary for enforcement and prevention of harm to existing and anticipated beneficial uses before harm occurs.
-The Montana Coal Bed Natural Gas Alliance (The Alliance) believes that narrative standards are the best regulatory tool to protect existing and anticipated beneficial uses.

3) A comprehensive monitoring system is an essential component for development of CBM and protection of existing and anticipated beneficial uses.

-Real time, averaging and instantaneous measures may all contribute and should be used where appropriate.
-In stream and point of discharge monitoring are necessary to measure impact to water quality and compliance.

4) **The Alliance** believes regulatory control should include a process that incorporates an opportunity for review and approval by the appropriate regulatory agency.
Petitioners believe regulatory control must include discharge permits for all future CBM development.

5) The appropriate legal application of non-degradation policy must be resolved as a part of adopting numeric limits for EC and SAR.

6) The numeric limit for EC and SAR above which existing and anticipated beneficial use is harmed varies. The variables include, but are not limited to, soil type, crop, irrigation practices, and seasonal uses as well as naturally occurring salts and runoff. There are no federal numeric standards for EC and SAR.

Petitioners oppose the higher ranges proposed by the Alliance because they believe that the Alliance proposals represent elevated risk for harm to existing and anticipated beneficial uses and that the lower ranges proposed by the petitioners do not unnecessarily restrict CBM development.

The Alliance opposes the lower ranges proposed by the Petitioners and DEQ because the Alliance believes that Petitioners Proposals are over protective, and that numeric standards are not necessary to protect current and anticipated beneficial uses.